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DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

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Division Director

6363

November 18, 2014

Rick Havenstrite
Desert Hawk Gold Corporation
1290 Holcomb Avenue
Reno, Nevada 89502

Subject: Partial Approval of Amended Notice of Intention to Commence Large Mining Operations, Desert Hawk Gold Corporation, Kiewit Mine, M/045/0078, Tooele County, Utah

Dear Mr. Havenstrite:

The Division of Oil, Gas and Mining has reviewed the amendment to the Kiewit Notice of Intention to Commence Large Mining Operations (Notice) submitted on October 7, 2014. The following have been added to the Notice:

1. New Appendix V-B.
2. New appendices page which reflect the addition of Appendix V-B.
3. New pages 15 and 26 of the Notice which reflect the addition of Appendix V-B.
4. New signature pages for the Ground Water Discharge Permit (pages 19 & 24).
5. New page 1 of the Notice which reflects the incorporation of the two small mine permits, Herat and Yellow Hammer, into the Kiewit Notice.

These items have been stamped approved, and a copy is provided for your records. The revised reclamation cost estimate will be reviewed after these changes have been completed and concurrence is received from the BLM. Please keep the Notice current by submitting changes using Form MR-REV-att, which is located on the Division's web site at ogm.utah.gov. Also received are the following:

1. A page from the Kiewit Mine Project EA. It is unclear if this is to be added to the EA or if it should go somewhere else. Please provide form MR-REV for this page.
2. A figure labeled as "Exploratory Drill Hole Locations." It is unclear if the figure is for information only, but approval for drilling on BLM land is to include approval from the BLM. Please provide more direction.



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The approval of the amendment does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

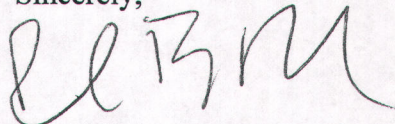
The Division again reiterates the conditions included in the approval letter dated February 21, 2014:

1. Mining at the Clifton Shears will not exceed 20 feet in depth until the operator has completed additional rock characterization.
2. No mining may be done at the Yellow Hammer until the operator has completed rock characterization.
3. Mining at the Kiewit will include rock characterization as committed to in the NOI.
4. Backfilling and grading reclamation bond monies will not be released until the heap leach draw down has been completed.

The Division and Desert Hawk Gold have agreed that inconsistencies exist in the Notice of Intention to Commence Large Mining Operations (Notice) and that any inconsistencies that impact regulatory authority decisions will be decided by the Division.

Thank you for your cooperation in finalizing this permitting action. Please call Leslie Heppler at 801-538-5257 if you have any questions in this regard.

Sincerely,



Paul B. Baker
Minerals Program Manager

PBB: lah: eb

Enclosure: Approved pages

cc: Stephen Allen, Salt Lake BLM (SAllen@blm.gov)
Wendy Shubert, Tooele County (wshubert@co.tooele.ut.us)

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